

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF ROGER D. AND ) APPEAL NO. 06-A-2463  
VICKI D. CANTLON from the decision of the Board of ) FINAL DECISION  
Equalization of Valley County for tax year 2006. ) AND ORDER

**VACANT LAND APPEAL**

THIS MATTER came on for hearing November 28, 2006, in Cascade, Idaho, before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellants did not appear at hearing. Appraiser June Fullmer appeared for Respondent Valley County. This appeal is taken from a decision of the Valley County Board of Equalization modifying the protest of the valuation for taxing purposes of property described as Parcel No. RP004150000030A.

**The issue on appeal is the market value of a residential lot.**

**The decision of the Valley County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$293,750. Appellants request the land value be reduced to \$176,000.

The subject property is located in Simpco Estates, approximately one mile south and four miles east of Donnelly, in Valley County, Idaho. This property is an unimproved lot of 4.076 acres. It is on a moderate hilltop with a level building spot at the top. There is a gravel driveway leading from Leland Drive onto the lot. Subject was purchased in 2001 for a price of \$71,883 and was assessed in 2004 for \$104,880, in 2005 for \$201,360, and in 2006 for \$293,750. Initially, the subject lot was appraised for 2006 at \$ 379,530, but was later reduced to the present value of \$293,750 by the Board of Equalization.

Appellants provided information regarding two properties that sold in 2005 for amounts

less than subject's assessed value. The first sale was "Lot 6" for \$176,000. Lot 6 was 3.55 acres and located in Simpco Estates. The other property, "Lot 37", also located in Simpco Estates, sold for \$160,000. Lot 37 was 1.58 acres. Appellants assert that these land sales indicate a market value of \$176,000 for subject.

Respondent contended the assessment represented a value for which Appellants could reasonably sell subject. To support this conclusion, Exhibit 3 detailed the sale prices and assessed values of 21 rural unimproved properties in the Donnelly area between October 2004 and September 2005. Lot 37 was included in this analysis, and showed a 2006 assessed value of \$102,360. It was noted the subject property was larger than any of the other properties in the analysis. Lot 6 was not included in the analysis, as it was a "1031 Exchange." Lot 6 had a 2006 assessed value of \$295,950.

The average assessment ratio for the 21 properties, compared assessed values to the sale prices, was at 98% of market value. This was consistent with the findings of Exhibit 2, a Ratio Study prepared by the State of Category 15, Unimproved Rural Residential Subdivision, which reflected a 90% Confidence Interval. The subject property falls within Category 15.

Further, Respondent rebutted the assertion that subject's assessed value was too high in light of the sale prices of Lots 37 and 6. Respondent believed the subject property was more desirable and had a level area for ease of placement of a residence, while Lot 6 did not have such topography advantages. Subject property also had a superior view of the entire area versus a restricted view of the subdivision. It was asserted by Respondent that subject's assessment appropriately represented current market value.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

The market value of non-selling land and improvements is commonly determined through the consideration of comparable sales (the sales comparison approach to value). Appellants did not challenge the market prices determined for the comparable properties or attempt to distinguish the subject property from those properties.

The definition of market value is found in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Respondent has established that the assessed value of \$293,750 is an appropriate value for the subject property based upon the sale prices of other properties in the area. The sale prices of properties presented by Appellants are not necessarily in conflict with subject's assessment when the value factors of the subject property, including topography, views, and acreage, are considered.

Based upon the evidence presented by Respondent regarding the recent prices of properties in subject's immediate area, the Board concludes that the assessed valuation of the subject property is appropriate and was supported by the available market data.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is,

affirmed.

DATED this 27th day of April 2007.